UNITED	STATES	DISTRICT	COURT
SOUTHE	RN DIST	RICT OF N	EW YORK

RHONA ALEDIA,)) 08 CV 4342
	Plaintiff,)) (BJ)
-against-)
HSH NORDBANK AG,)
	Defendant.)

AFFIDAVIT OF RUTH VON KISTOWSKY

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

RUTH VON KISTOWSKY, being duly sworn, deposes and says:

- 1. I am Deputy Head of Human Resources at the New York branch of defendant, HSH Nordbank AG ("HSH"). I make this affidavit in support of HSH's motion to dismiss the complaint.
- 2. Annexed hereto as Exhibit A is a photocopy of the letter agreement between HSH and plaintiff, Rhona Aledia, dated January 19, 2005.
- 3. Annexed hereto as Exhibit B is a photocopy of HSH's policy concerning the deferral of part of incentive compensation awards, which has been in effect at HSH since January, 2007.

RUTH VON KISTOWSKY

Sworn to before me this _______ day of May, 2008.

Notary Public

JON D. KARNOFSKY Notary Public, State of New York No. 30-4514328

Qualified in Nassau County Term Expires August 31, 20 09

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EXHIBIT A



Ms. Rhona Aledia 15 Chestnut Place Hohokus, NJ 07423 January 19, 2005

Sarah Ortiz sarah.ortiz@hsh-nordbank.com Phone / Fax (212) 407-6141 / (212) 407-6144

Dear Rhona,

We are pleased to extend our offer to join HSH Nordbank AG, New York Branch ("the Bank") as Vice President/Structured Commodity Finance. This position is exempt from coverage under the Fair Labor Standard Act. You will report to David Lopez Menendez, Head of Structured Commodity Finance and be based in our New York Branch. We look forward to having you start work on as soon as possible.

Base Salary Compensation

Your base salary will be at an annual rate of **US \$ 164,000** (US Dollars: One hundred sixty four thousand) payable monthly and subject to standard payroll deductions.

Incentive Compensation Overview

In addition to your annual base salary you will be eligible for an incentive compensation award payable at the Bank's sole discretion, which takes into account your individual performance as well as the overall results achieved by the Bank.

Subject to applicable taxes, incentive compensation awards are contingent upon your continued employment with the Bank and not having provided any notice of resignation prior to the incentive compensation payment date, which is generally paid in March of each subsequent calendar year.

Sign-on Bonus

We have agreed to pay you a cash sign-on bonus of US\$30,000 (US Dollars: Thirty thousand), which will be paid as soon as administratively possible following your start date. Should you voluntarily resign your position with the Bank prior to the incentive compensation pay date for the performance year in which you receive the sign-on bonus, you agree to repay the Bank the sign-on in its entirety within 20 days of your termination date with the Bank.

HSH Nordbank AG
New York Branch
Head Offices: Hamburg, Kiel
(Germany)
Trade Register:
Trade Register Hamburg HRB 87366
Trade Register Kiel HRB 6127

590 Madison Avenue New York, New York 10022, U.S.A. (212) 407-6000 Head of the Supervisory Board: Heide Simonis Board: Alexander Stuhlmann (Chairman), Hans Berger (Deputy Chairman), Ulrich W. Ellerbeck Peter Rieck, Hartmut Strauß, Franz S. Waas (Ph.D.)



2005 Guarantee

Your incentive compensation for the calendar year 2005 will be \$40,000 (US Dollars: forty thousand), provided that you remain in our employ on the incentive compensation payment date for calendar year 2005. Should you terminate your employment voluntarily or should we terminate your employment involuntarily before the calendar year 2005 incentive compensation payment date, you will be entitled only to base salary earned through the date of termination and no unpaid incentive compensation payments.

Policies & Benefits

You are eligible to participate in our employee benefit plans pursuant to the terms of those plans. As part of your orientation, you will receive detailed information about the benefit plans and about our Human Resources policies and programs.

Immigration Compliance

Federal law requires U.S. employers to verify that all new employees are eligible to work in the United States pursuant to the Immigration Reform and Control Act of 1986. As a condition of your employment and continued employment, as set forth by the Act, you will be required to provide proof of identity and employment authorization within three (3) days of your start date.

References and Background Check

Your employment is contingent upon satisfactory references and background check, and upon passing a pre-employment drug screen. This screen should be scheduled through Affiliated Physician at 18 East 48th Street, 7th Floor, New York, (212) 935-8725, and must be completed at least five (5) business days prior to, but not more than thirty (30) days in advance of, your intended start date. You may not begin work until your test results have been received by Human Resources.

Duty of Loyalty

You acknowledge that you owe the Bank a duty of loyalty which includes, but is not limited to: (1) a duty while employed to keep the Bank informed of all relevant information; (2) a duty not to divulge or release confidential information or trade secrets, names or lists of customers, or other customer information to anyone at anytime except as directed by the Bank; (3) a duty while employed not to compete, or to assist others in competing, with the Bank's business or interests; and (4) a duty while employed not to disparage the Bank, its other employees, products or services.

Compliance

By signing this offer letter, you agree that your continued employment is contingent on your compliance with all registration, certification, examination, bonding, and continuing education requirements applicable to your position, and you agree to take all steps and complete all paperwork necessary to comply therewith as the Bank may determine.



At-Will Employment

This letter sets out the complete terms of our offer to you and shall not be construed as a contract of employment for a fixed period of time because your employment is 'at will'.

The Bank reserves the right to terminate your employment at any time; for any reason, and, likewise, you are free to terminate your employment with the Bank at any time. The terms of this letter may not be amended unless such amendment is agreed to in writing and signed by two authorized officers of the Bank.

Please signify your acceptance by signing a copy of this letter and returning it to:

Human Resources HSH Nordbank AG 590 Madison Avenue 28th Floor New York, New York 10022-2540

We are pleased that you are joining us, and we look forward to a mutually beneficial and rewarding relationship.

Sincerely,

HSH Nordbank AG New York Branch

Ruth von Kistowsky

Head of Human Resources

Klaus Bernhart General Manager

Accepted and agreed to this

ed to this @ english eyen

Ley 2005 Back Salary = \$164.000 pannum

Rhona Aledia

EXHIBIT B

Mandatory Deferred Compensation Program Overview

Purpose To assist with retention and to align employees with the business, the mandatory deferred compensation plan provides for the deferred payment of certain incentive compensation awarded to eligible employees consistent with competitive market practice.

Eligibility Participation in the mandatory deferred compensation plan is determined solely by level of incentive compensation (i.e., bonus). All employees with Total Incentive above \$100,000 will receive (i) a portion in cash and (ii) portions to be received periodically, conditioned upon continued employment. "Total Incentive" includes all amounts, guaranteed or otherwise, paid by HSHN above the employee's stated annual base salary, except one-time sign-on bonuses and travel & entertainment reimbursements. Amounts of deferral will increase formulaically with compensation.

For further information, please contact Human Resources.

3.2007

HSH NORDBANK AG, NEW YORK BRANCH Mandatory Deferred Compensation Term Sheet

		GENERA	L PROVISIONS	
Purpose	To assist with retention and to align employees with the business, the mandatory deferred compensation plan provides for the deferred payment of certain incentive compensation awarded to eligible employees consistent with competitive market practice.			
Eligibility	Participation in the mandatory deferred compensation plan is determined solely by level of incentive compensation (i.e., bonus). All employees with Total Incentive above \$100,000 will receive (i) a portion in cash and (ii) portions to be received periodically, conditioned upon continued employment. "Total Incentive" includes all amounts, guaranteed or otherwise, paid by HSHN above the employee's stated annual base salary, except one-time sign-on bonuses and travel & entertainment reimbursements. Amounts of deferral will increase formulaically with compensation.			
Angularing angular to the contract of the cont	Total Incontive	Deferral Rates	Marginal Deferral	Cumulative Deferral
Graduated Deferred Compensation Table (per annum)	\$0 - \$100k \$101k - \$200k \$201k - \$500k \$501k - \$750k \$751k+	0.0% 17.5% 22.5% 30.0% 37.5%	\$0 \$17,500 \$67,500 \$75,000	\$0 \$17,500 \$85,000 \$160,000
Interest	For 2006, all em equivalent to 7.5 on market condi	5% on deferred a	g a portion of ince amounts. For 2007	ntive will earn annual interest and beyond, rate set annually based
Payment & Vesting	on the first, seco	ond, third, and fo ears). In the fou	urth anniversaries	% of deferred compensation ("Capital") of the date of deferral (i.e. pro-rata ipant will also receive interest on is.
Risk & Quality Provisions	Payment of accrued interest on capital is based on quality metrics. If risk exceeds specified levels above calculated risk reserved (i.e., significant loan losses), participants may lose some or all of the accumulated interest, but not deferred capital, depending on severity of the situation. Discretionary guidelines are as follows: If: (cumulative calculatory risk) > (cumulative actual losses) Then: payout full interest on deferred amounts If: (cumulative actual losses) > (cumulative calculatory risk) Then: interest reduced according to management discretion			
	Deferred amounts earn pre-tax interest compounded over the period. Participants taxed, at same rate used for bonus, in year of receipt of deferral amounts (including interest), less mandatory deductions.			



HSH NORDBANK AG, NEW YORK BRANCH **Mandatory Deferred Compensation Term Sheet**

SEPARATION & TERMINATION PROVISIONS				
Change-of-control of HSH Nordbank	If participant not offered comparable or better position, with duties and compensation as prior to change-of-control, vesting on deferred amour (including accumulated interest) accelerated and paid out lump sum.			
Death -or- Permanent Disability	Vesting on deferred amounts (including accumulated interest) accelerated and paid out lump sum.			
Retirement -or- Voluntary Termination with No Compete & No Customer/Employee Solicitation Agreement	 Vesting on deferred amounts (including accumulated interest) accelerated and paid out on normal schedule (subject to compliance with non-compete and non-solicit). 			
Employee Voluntary Termination without No Compete, No Customer/Employee Solicitation Agreement	Forfeit all unvested amounts (deferred capital and interest), if employee voluntarily terminates employment.			
For Cause	Forfeit all unpaid amounts of deferred capital and any interest.			
 Vesting and payout on deferred amounts (and interest) accomportant schedule, conditioned upon no solicitation of employed throat Cause (mutually agreed upon separation) Vesting and payout on deferred amounts (and interest) accomportant schedule, conditioned upon no solicitation of employed customers during first year from separation of service Former Employee is not subject to non-compete. If the involuntarily without cause, individual can continue to industry. 				

Issued: February 15, 2006 Revised :January 2007



HSH NORDBANK AG, NEW YORK BRANCH **Illustration of Deferral Mechanics**

• Deferral formula:

Total Incentive	Deferral Rates	Marginal Deferral	Cumulative Deferral
\$0 - \$100k	0.0%	\$0	\$0
\$101k - \$200k	17.5%	\$17,500	\$17,500
\$201k - \$500k	22.5%	\$67,500	\$85,000
\$501k - \$750k	30.0%	\$75,000	\$160,000
\$751k+	37.5%	•	· · ·

• An individual with \$550,000 total incentive defers:

- 0% of the first \$100,000 = \$0
- 17.5% of the next \$100,000 (from \$101k-\$200k) = \$17,500
- 22.5% of the next \$300,000 (from \$201k-\$500k) = \$67,500
- 30.0% of the next \$50,000 (from \$501k-\$550k) = \$15,000
- \therefore Total deferral of \$17.5k + \$67.5k + \$15k = \$100,000
- \therefore Total cash = \$450,000
- ∴ Total incentive = \$550,000

• Treatment of deferred amounts over time

Mechanics for Participant with \$550k Total Incentive, Deferring \$100k					
	1st Anniversary (year-1)	2nd Anniversary (year-2)	3rd Anniversary (year-3)	4th Anniversary (year-4)	
Participant Receives	\$25k vest Return of Capital	\$25k vest Return of Capital	\$25k vest Return of Capital	\$25k vest Return of Capital	Enhanced Interest* \$19k ≅ 7.5% annual interest on \$25k compound 1 yrs \$25k compound 2 yrs \$25k compound 3 yrs \$25k compound 4 yrs

^{*} Payment dependent on risk paradigm